

## **REMARKS**

The Office Action dated February 9, 2005, has been received and carefully noted. The amendments made herein and the following remarks are submitted as a full and complete response thereto.

Claim 1 has been amended, and claim 2 has been canceled without prejudice. No new matter has been added. Accordingly, claims 1 and 3-25 are pending in the present application and are respectfully submitted for consideration.

### **Claims 1-8 Rejected under 35 U.S.C. § 102(b)**

Claims 1-8 were rejected under 35 U.S.C. § 102(b) as being anticipated by Younger (U.S. Patent No. 4,874,935). To the extent that the rejection remains applicable to the claims as amended, the Applicant respectfully traverses the rejection and submits that each of these claims recites subject matter that is neither disclosed nor suggested by the cited prior art.

Amended claim 1 recites a smart card for executing a plurality of transaction types comprising a card substrate, a microchip embedded in the card substrate, and a magnetic medium on the card substrate. At least one of the microchip and the magnetic medium contains information for executing the plurality of independent transaction types being coordinated through a plurality of vendors of service and products, wherein the plurality of transaction types includes a medical transaction, a financial transaction, and an e-commerce transaction.

In making the rejection, the Office Action characterized Younger as allegedly disclosing a plurality of transaction types including "a medical transaction, a financial

transaction and an e-commerce transaction.” In particular, the Office Action cites column 1, lines 15-40 of Younger for support of the Office Action’s position.

The Applicant respectfully disagrees with the Office Action’s position, and respectfully traverses. In particular, the Applicant submits that the smart card apparatus and the method of programming the same of Younger is neither comparable nor analogous to the smart card and the method of executing transaction of the present invention, as claimed.

For example, the Applicant submits that Younger fails to disclose or suggest at least “a plurality of transaction types includes a medical transaction, a financial transaction, and an e-commerce transaction.” In particular, column 1, lines 19-22 of Younger merely provide that “a smart card [of Younger] might contain a person’s entire medical history, financial information, etc.” Younger’s card discloses merely storing information, such as medical and financial information. However, Younger does not teach or suggest that the stored information may be used to execute medical transactions, financial transaction, and especially e-commerce transactions. Therefore, the Applicant submits that, at least for these reasons, Younger fails to disclose or suggest each and every element recited in amended claim 1 of the present application.

Moreover, to qualify as prior art under 35 U.S.C. §102, a single prior art reference must teach, i.e., identically describe, each feature of a rejected claim. As explained above, Younger fails to disclose or suggest each and every feature of amended claim 1. Accordingly, Applicant respectfully submits that claim 1, as

amended, is not anticipated by Younger. Therefore, Applicant respectfully submits that claim 1 is allowable.

Claim 9 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Younger and Merkle et al. (US. Patent No. 5,157,726, hereinafter "Merkle"). This rejection is respectfully traversed.

Claim 10 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Younger and Cooreman et al. (US. Patent No. 6,698,661, hereinafter "Cooreman"). This rejection is respectfully traversed.

As claims 3-10 depend from allowable claim 1, the Applicant submits that each of these claims incorporates the patentable aspects therein, and are therefore allowable for at least the reasons set forth above with respect to the independent claims, as well as for the additional subject matter recited therein.

Accordingly, Applicants respectfully request withdrawal of the rejections.

**Claims 11-15 and 19-25 Rejected under 35 U.S.C. § 102(b)**

Claims 11-15 and 19-25 were rejected under 35 U.S.C. § 102(b) as being anticipated by Drummond et al. (U.S. Patent Application No. 2001/0014881 A1, hereinafter "Drummond"). This rejection is respectfully traversed.

Applicant submits that Drummond is an improper reference since it does not predate the priority date of the present application.

Specifically, the present invention claims priority to a U.S. provisional application no. 60/222,926, filed August 4, 2000. On the other hand, Drummond was filed on March 19, 2001 and has a publication date of August 16, 2001. It is submitted that both

the filing date as well as the publication date of Drummond fail to predate the priority date of August 4, 2000, of the present application. Accordingly, the Applicant submits that the rejection is improper because the cited reference is NOT valid prior art.

Claims 16, 17 and 18 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Drummond and Nichols et al. (US. Patent Application No. 2003/0055652 , hereinafter "Nichols"). This rejection is respectfully traversed for at least the above reason regarding Drummond.

As such, it is submitted that claims 11-25 are allowable.

### **Conclusion**

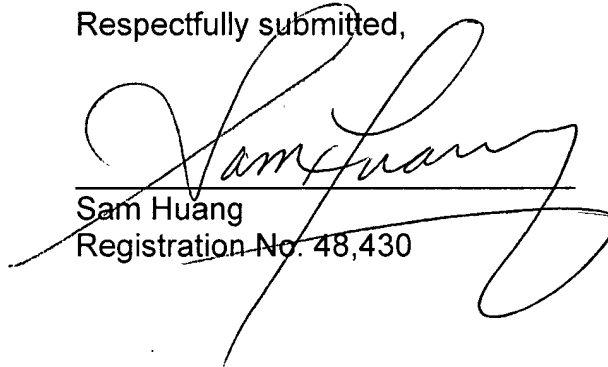
In view of the above, the Applicant respectfully submits that each of claims 1 and 3-25 recites subject matter that is neither disclosed nor suggested in the cited prior art. The Applicant also submits that the subject matter is more than sufficient to render the claims non-obvious to a person of ordinary skill in the art, and therefore respectfully requests that claims 1 and 3-25 be found allowable and that this application be passed to issue.

If for any reason, the Examiner determines that the application is not now in condition for allowance, it is respectfully requested that the Examiner contact the Applicant's undersigned attorney at the indicated telephone number to arrange for an interview to expedite the disposition of this application.

In the event this paper has not been timely filed, the Applicant respectfully petitions for an appropriate extension of time.

Any fees for such an extension, together with any additional fees that may be due with respect to this paper, may be charged to counsel's Deposit Account No. 01-2300, referring to client-matter number 023693-00001.

Respectfully submitted,



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Enclosures: Petition for Extension of Time (3 months)

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